

## Preface

In the accompanying presentation, you will see the financial data from an illustration of a cash value life insurance policy.

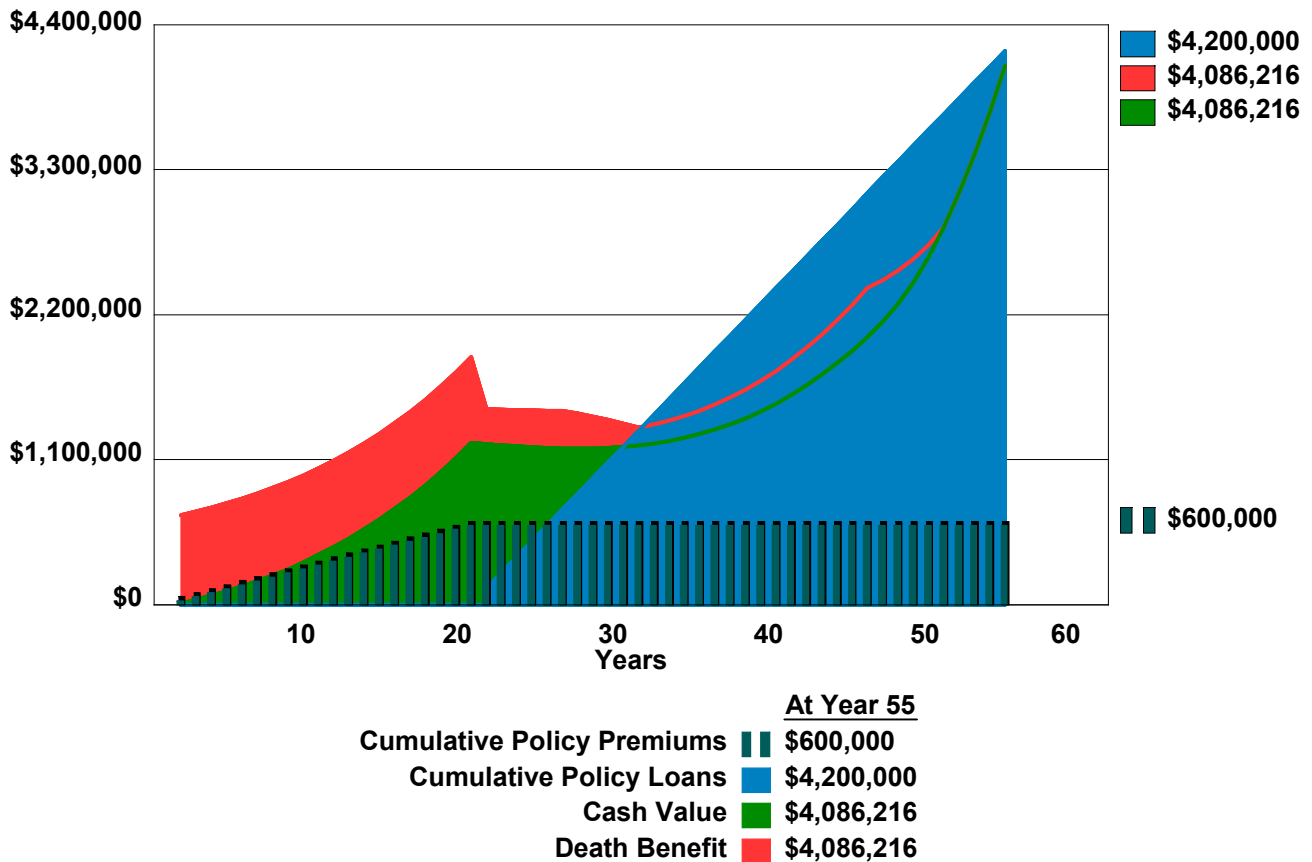
To help you make an informed decision about acquiring the policy, the illustration includes information about premiums, cash values and death benefits plus scheduled policy loan proceeds.

Cash value life insurance contains the following features:

1. Accumulating cash values;
2. Income tax deferred growth of cash values;
3. Competitive current interest rate;
4. Income tax free access to cash values via policy loans;

5. Income tax free death benefits;
6. Probate free death benefits;
7. Privacy of all transactions;
8. Advance of death benefits in certain adverse health circumstances -- as defined in the policy contract.

Favorable income tax consequences combine with significant policy values and benefits to produce a life insurance solution that has a considerable amount of financial leverage.



This graphic assumes the non-guaranteed values shown continue in all years. This is not likely, and actual results may be more or less favorable.

# A Life Insurance and Retirement Plan

Presented By: [Licensed user's name appears here]

Insured: Harvey Pierce, MD

## Illustration of Values of Indexed Universal Life

		Income Tax Rate 40.00%	Indexed UL Interest Rate 6.85%	Initial Payment 30,000	Initial Death Benefit 650,000			
Year	Male Age	(1) Policy Premium	(2) Retirement Net Loan Proceeds	(3) Year End Accum Value*	(4) Year End Cash Value*	(4a) Pre-Tax Equivalent Rate of Return of Cash Value*	(5) Death Benefit	(5a) Pre-Tax Equivalent Rate of Return of Death Benefit
1	45	30,000	0	27,302	8,407	-71.98	677,302	3596.12
2	46	30,000	0	56,510	37,881	-27.01	706,510	563.09
3	47	30,000	0	87,699	69,350	-12.48	737,699	251.44
4	48	30,000	0	121,147	103,090	-5.98	771,147	151.17
5	49	30,000	0	157,109	139,351	-2.44	807,109	104.28
6	50	30,000	0	195,834	178,382	-0.26	845,834	77.88
7	51	30,000	0	237,567	220,426	2.02	887,567	61.29
8	52	30,000	0	282,543	268,263	4.12	932,543	50.08
9	53	30,000	0	330,995	319,568	5.59	980,995	42.12
10	54	30,000	0	384,485	375,918	6.77	1,034,485	36.27
11	55	30,000	0	442,118	436,404	7.65	1,092,118	31.83
12	56	30,000	0	504,214	501,361	8.33	1,154,214	28.38
13	57	30,000	0	572,624	572,624	8.92	1,222,624	25.67
14	58	30,000	0	646,398	646,398	9.30	1,296,398	23.51
15	59	30,000	0	725,992	725,992	9.62	1,375,992	21.75
16	60	30,000	0	811,743	811,743	9.90	1,461,743	20.30
17	61	30,000	0	904,196	904,196	10.13	1,554,196	19.11
18	62	30,000	0	1,003,941	1,003,941	10.34	1,653,941	18.11
19	63	30,000	0	1,111,601	1,111,601	10.52	1,761,601	17.28
20	64	30,000	0	1,227,803	1,227,803	10.69	1,877,803	16.58
21	65	0	120,000	1,322,830	1,217,830	11.08	1,482,396	13.42
22	66	0	120,000	1,424,062	1,208,812	11.40	1,479,384	13.47
23	67	0	120,000	1,531,917	1,200,905	11.68	1,476,650	13.52
24	68	0	120,000	1,646,826	1,194,263	11.92	1,474,223	13.56
25	69	0	120,000	1,769,248	1,189,057	12.14	1,472,137	13.59
26	70	0	120,000	1,899,700	1,185,499	12.33	1,470,454	13.63
27	71	0	120,000	2,038,968	1,184,057	12.50	1,449,123	13.58
28	72	0	120,000	2,187,741	1,185,085	12.66	1,425,736	13.54
29	73	0	120,000	2,346,789	1,189,000	12.81	1,400,211	13.51
30	74	0	120,000	2,516,966	1,196,287	12.95	1,372,474	13.47
		600,000	1,200,000					

### 30 Year Summary

Cum. Payments	600,000
Cum. Policy Loan Proceeds	1,200,000
Cash Value	1,196,287
Death Benefit	1,372,474

\*This illustration assumes the nonguaranteed values continue in all years. This is not likely, and actual results may be more or less favorable. This illustration is not valid unless accompanied by a basic illustration from the issuing life insurance company.

# A Life Insurance and Retirement Plan

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Insured: Harvey Pierce, MD

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		Income Tax Rate 40.00%	Indexed UL Interest Rate 6.85%	Initial Payment 30,000	Initial Death Benefit 650,000					
Year	Male Age	(1) Policy Premium	(2) Retirement Net Loan Proceeds	(3) Year End Accum Value*	(4) Year End Cash Value*	(4a) Pre-Tax Equivalent Rate of Return of Cash Value*	(5) Death Benefit	(5a) Pre-Tax Equivalent Rate of Return of Death Benefit		
31	75	0	120,000	2,699,233	1,207,520	13.09	1,342,482	13.44		
32	76	0	120,000	2,893,742	1,222,444	13.21	1,367,131	13.55		
33	77	0	120,000	3,101,313	1,241,449	13.32	1,396,515	13.65		
34	78	0	120,000	3,322,804	1,264,948	13.43	1,431,088	13.75		
35	79	0	120,000	3,559,141	1,293,392	13.53	1,471,349	13.83		
36	80	0	120,000	3,811,240	1,327,204	13.62	1,517,766	13.92		
37	81	0	120,000	4,079,940	1,366,702	13.71	1,570,699	13.99		
38	82	0	120,000	4,366,226	1,412,326	13.79	1,630,637	14.06		
39	83	0	120,000	4,671,090	1,464,495	13.87	1,698,049	14.13		
40	84	0	120,000	4,995,494	1,523,569	13.94	1,773,344	14.19		
41	85	0	120,000	5,340,336	1,589,814	14.00	1,856,831	14.24		
42	86	0	120,000	5,706,559	1,663,512	14.06	1,948,840	14.30		
43	87	0	120,000	6,094,938	1,744,738	14.12	2,049,485	14.34		
44	88	0	120,000	6,505,939	1,833,229	14.16	2,158,526	14.38		
45	89	0	120,000	6,940,034	1,928,689	14.21	2,275,690	14.42		
46	90	0	120,000	7,397,407	2,030,494	14.25	2,400,365	14.45		
47	91	0	120,000	7,887,311	2,147,053	14.28	2,462,545	14.44		
48	92	0	120,000	8,414,658	2,282,387	14.32	2,534,827	14.44		
49	93	0	120,000	8,985,955	2,442,070	14.36	2,621,790	14.44		
50	94	0	120,000	9,609,431	2,633,352	14.40	2,729,446	14.44		
51	95	0	120,000	10,294,946	2,865,063	14.45	2,865,063	14.45		
52	96	0	120,000	11,029,925	3,123,548	14.49	3,123,548	14.49		
53	97	0	120,000	11,818,046	3,411,350	14.54	3,411,350	14.54		
54	98	0	120,000	12,663,268	3,731,237	14.57	3,731,237	14.57		
55	99	0	120,000	13,569,849	4,086,216	14.61	4,086,216	14.61		

600,000      4,200,000

### 55 Year Summary

Cum. Payments	600,000
Cum. Policy Loan Proceeds	4,200,000
Cash Value	4,086,216
Death Benefit	4,086,216

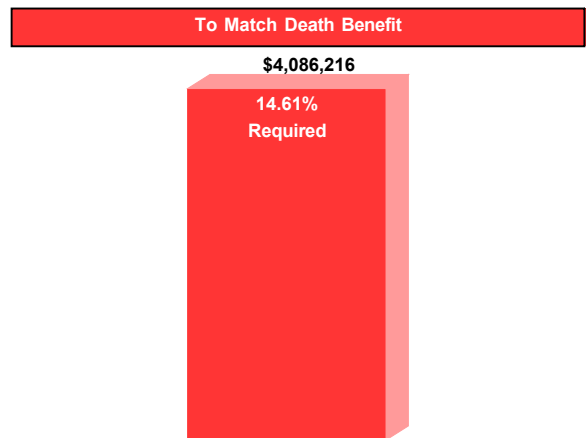
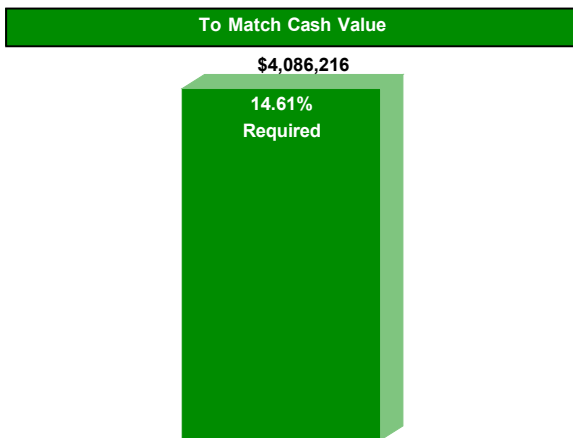
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## Matching Policy Values at Age 99 (Year 55)

Male	Income	Indexed UL	Initial	Initial
Age	Tax Rate	Interest Rate	Payment	Death Benefit
45	40.00%	6.85%	30,000	650,000

### Gross Interest Rate Required on a Hypothetical Taxable Investment to Match Indexed Universal Life Policy Values over 55 Years.

	Hypothetical Taxable Alternative
To match Cash Value of: \$4,086,216	14.61%
To match Death Benefit of: \$4,086,216	14.61%



### Income Tax Considerations

1. Hypothetical Taxable Investment: Interest is taxed as earned.
2. Indexed Universal Life:
  - a. Death Benefit including available cash value component is income tax free.
  - b. Loans are income tax free as long as the policy is kept in force.
  - c. Withdrawals and other non-loan policy cash flow up to cost basis (not in violation of IRC Section 7702(A)) are income tax free as a return of premium.
  - d. Cash values shown assume most favorable combination of b and/or c.

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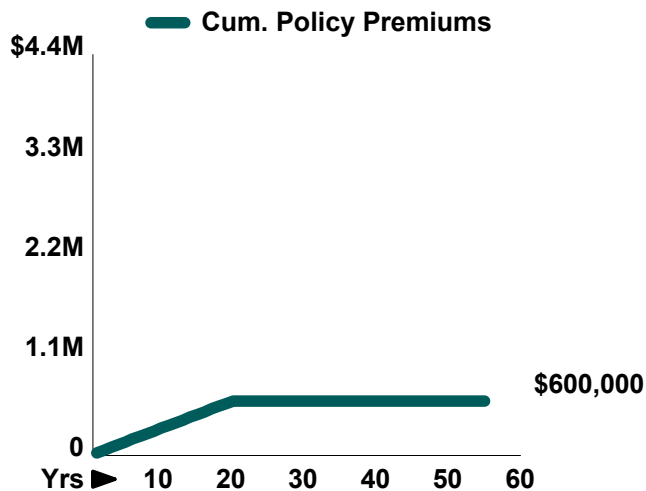
# A Life Insurance and Retirement Plan

Presented By: [Licensed user's name appears here]

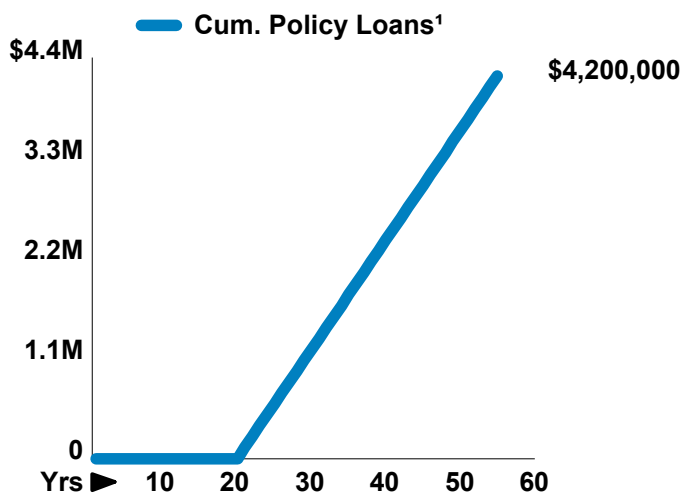
Insured: Harvey Pierce, MD

## 55 Year Analysis

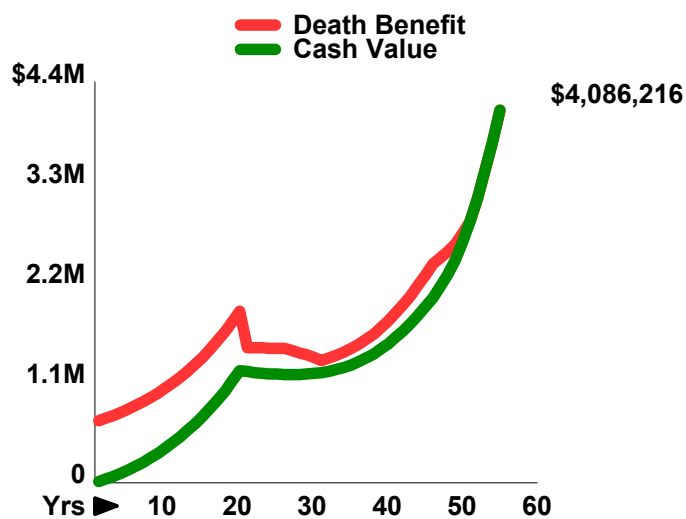
### Payments



### Cash Flow



### Policy Values



<sup>1</sup>For Retirement.